

ORGANISATIONAL DEVELOPMENT
AND
EMPLOYEE WELLNESS

Manage Money and Investments during Uncertain times



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Today's Discussion

TOPIC OUTLINE

Financial uncertainty

Your current financial portfolio

Key factors during uncertain times

Using your time wisely

Closing

UNCERTAINTY



Uncertainty

As one can expect uncertain times can have a negative impact on global financial markets, and the disruption caused can continue for a few more months.

But

However, after being impacted by global turmoil previously, the markets have always recovered and will do so again – it may just take some time.

It is now more important than ever that you remain level-headed and continue to stay the course on your savings and investment journeys.

Your current financial portfolio during uncertain times



Current Investments and savings



Current Retirement funds



Current Investments and Savings

- If you are invested in market-linked portfolios, over the short term, you will most likely experience negative returns.
- However, history shows it is not uncommon for markets to react negatively and then to recover over the medium to long term.
- History has also taught us that, in time, there will be a recovery in the financial markets.
- As one can expect, the current negative impact on global financial markets and the disruption caused will probably continue for many more months.

Please consult with a financial planner before you take any action regarding your savings and investment plans.



Current Retirement Funds

- The best way to deal with uncertainty is through proper financial planning.
- This means an appropriate investment strategy and portfolio for your retirement savings which is aligned with your planned post-retirement income strategy.

Discuss the options that are available to you with a financial planner, before you make any changes to your investment portfolio selection or your planned retirement date.

4 Key factors to implement during uncertain times

1

Check your emotions

2

Emergency Funds

3

Keeping up good saving habits

4

Focus on what is in your control

1

Check your emotions



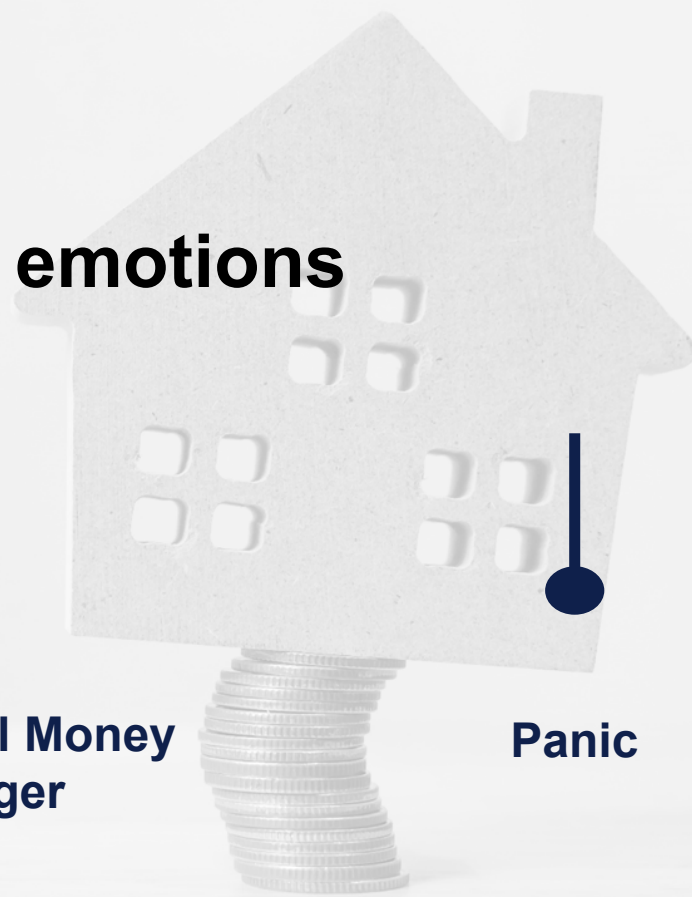
Financial Markets



**Successful Money
Manager**



Panic



Financial Markets

Stick to your current financial strategy

- When the financial markets are down or extra volatile, the true nature of your risk tolerance gets revealed.
- Whether you're a gambler or a stuff-the-cash-in-the-mattress kind of person, you've probably been wondering what changes you should make to your investments.

Successful Money manager

Don't let your emotions get the best of you, impose a waiting period before making any large-scale money decisions.

- Being a successful money manager is mostly about managing your emotions.
- It is easier said than done because there's no separating money from emotions.
- In general, the fewer rash decisions you make, the better.

Panic

Before making any changes it is of utmost importance to discuss it with a financial planner before you pull the trigger.

- We've seen how emotions affect the economy with panic-buying such as toilet paper, hand sanitizer, and bread.
- Emotions get fueled by two powerful motivating forces: fear and greed.
- When you panic and make quick, drastic decisions it can set you back financially for decades.
- Such as selling your investments when their value drops or stopping your contributions to your retirement funds.

2

Emergency Funds



Cash Reserves



Continue to save



Cash Strapped



Cash Reserves

An emergency fund will make you less vulnerable in uncertain times

- Those with emergency funds in the bank are going to feel a lot less financial stress than those who don't.
- That's why it's essential to maintain a cash reserve of at least three to six months' worth of living expenses in a savings account.

Continue to save

If you don't need to use your emergency fund, continue building it up

- If you don't have a cash reserve, do what you can to accumulate some amount of savings.
- You can divert the money you would have spent on clothes, eating out, take away, going to the movies, to your emergency fund.
- This is a better option than succumbing to panic and tapping investment early or taking a loan.

Cash Strapped

**Don't put yourself in
debt unnecessary**

- If you find yourself cash strapped, contact your creditors before dipping into your investment or making unnecessary loans.
- Many lenders will be willing to work with you to suspend payments or modify existing loan terms temporarily.
- Currently in South Africa, some banks are willing to give you a premium holiday for up to three months on your mortgage loan.

3

Keeping up Good Saving Habits



**Current Saving and
Investment
contributions**



Current Saving and Investment contributions

Should I continue to make contributions to my savings and investments?

- If you have cash in the bank and can afford to make contributions, the answer is an emphatic “yes.”
- Most investors contribute the same amount or percentage of their salary or wages every month end period.
- This means that you buy a fixed rand amount of investments on a regular schedule.
- For example, if you contribute R200 per month to a saving, investment or retirement fund, you end up buying more shares when prices are low and fewer shares when prices rise.

4

Focus on what is in your control



**Control the
controllable**



Control the controllable

Except the things I cannot change, courage to change the things I can, and wisdom to know the difference

- Once you've done some deep-breathing and exhaled out the panic, focus on what you can control.
- Many economic factors that affect your investment portfolio are simply not under your control.
- Your job is to stay informed, healthy, and as calm as possible.

Using your money Wisely

- Creating a budget
- Using new debt-reduction strategies
- Reduce unnecessary expenditure
- Save more where possible
- Avoid panic buying
- Avoid rash decisions
- Keep a sound mind
- Consult your financial planner



Closing Comment

“Look around and figure out how you can create more income or cut unnecessary expenses.”

Working on tasks that you can control will give you more clarity and help you manage stress in these uncertain times.



Thank you

We hope you understand now how to manage money and investments during uncertain times



Contact us for more information

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